

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS

**Re: ECF Nos. 18602, 21005, 22400,
22682, 22736, 22952, 23398,
23780, 24298**

(Jointly Administered)

**STATUS REPORT CONCERNING
COMMUNITY HEALTH FOUNDATION OF P.R. INC.'S MOTION FOR
ALLOWANCE AND PAYMENT OF ADMINISTRATIVE EXPENSE AND REQUEST
FOR EVIDENTIARY HEARING**

To the Honorable United States District Court Judge Laura Taylor Swain:

The Commonwealth of Puerto Rico (the “Commonwealth”), by and through the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as the Commonwealth’s representative pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² and Community Health Foundation of

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Building Authority (“PBA”) (Bankruptcy Case No. 19-BK-5523-LTS). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² PROMESA has been codified in 48 U.S.C. §§ 2101–2241.

P.R. Inc. (“CHF” and, together with the Oversight Board, the “Parties”), respectfully submit this status report and request for evidentiary hearing relating to *Community Health Foundation of P.R. Inc.’s Motion for Allowance and Payment of Administrative Expense* [ECF No. 18602] (the “Motion”), stating as follows:

Status Report and Request for Evidentiary Hearing

1. CHF’s Motion has been pending since late 2021. In the nearly two years since it was filed, the Parties have attempted to resolve the Motion through both briefing before this Court and informal investigation of the amount of wraparound payment, if any, due to CHF. As explained in the Parties’ prior joint status reports, such investigation has involved the receipt of information from third parties (including multiple managed care organizations operating in the Commonwealth with whom CHF contracts), the analysis of such information and documents, and in-person and telephonic meetings between the Parties. The Parties’ ongoing efforts in this regard have resulted in the Court adjourning the hearing on CHF’s Motion numerous times. It is currently set for argument at the omnibus hearing to be held on August 30, 2023. *See Order Adjourning Hearing Concerning Community Health Foundation of P.R. Inc.’s Motion for Allowance and Payment of Administrative Expense* [ECF No. 24298].

2. The Parties are still engaging in their investigation of the claims in CHF’s Motion, and they continue to hope they will be able to resolve this matter consensually via settlement. However, given the need to finally resolve all administrative expense claims brought against the Commonwealth and the potential that they will be unable to reach agreement on the amount that CHF is due, the Parties wish to schedule a hearing before this Court at which they can present evidence and testimony regarding any remaining areas of dispute regarding CHF’s claim. The Parties therefore request, pursuant to paragraph I.G. of the *Seventeenth Amended Notice, Case*

Management and Administrative Procedures [ECF No. 24726-1], that the Court schedule an evidentiary hearing on the Motion.

3. In connection with such a hearing, the Parties propose the following schedule:

Date	Event
September 22, 2023	Close of discovery. All depositions and document production complete by this date.
September 29, 2023	Deadline for the Parties to file declarations by any witnesses the Party intends to call at the evidentiary hearing. The declarations will serve as the sole required disclosure of each Party's witnesses (including any expert witnesses) to testify at the hearing, and will constitute each witness's direct testimony. After filing any declarations and before the evidentiary hearing, the Parties may (but need not) agree and stipulate that a declaration is admissible and the declarant need not appear at the hearing for cross examination.
October 6, 2023	Deadline for the Parties to file supplemental briefing, if any, on CHF's motion.
October 13, 2023	Deadline for the Parties to file responses to any supplemental briefing on CHF's motion. Deadline for the Parties to file exhibit lists of all exhibits to be submitted at the evidentiary hearing. The Parties agree to take all reasonable efforts to stipulate to the authenticity and admissibility of evidence.
Week of October 23, 2023	Evidentiary hearing on CHF's motion. Presently the Parties expect the hearing will require no more than one day, inclusive of evidence and any argument.

4. In connection with the Parties' request to schedule an evidentiary hearing, they have already started to engage in formal discovery, including serving requests for the production of documents and notices of deposition. Such discovery is currently ongoing.

5. Accordingly, the Parties respectfully request that the Court adjourn the hearing on the Motion currently set for August 30, 2023 and set the Motion for an evidentiary hearing during the week of October 23, 2023, or at another date on which the Court is available.

Dated: August 21, 2022
San Juan, Puerto Rico

Respectfully submitted,

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